

AM1046  
LB 503  
DSH-04-04

AM1046  
LB 503  
DSH-04-04

AMENDMENTS TO LB 503

(Amendments to Final Reading copy)

1                   1. Insert the following new section:

2                   "Sec. 11. Section 79-1028, Revised Statutes Supplement,  
3 2004, is amended to read:

4                   79-1028. (1) A Class II, III, IV, V, or VI school  
5 district may exceed the local system's applicable allowable growth  
6 rate for (a) expenditures in support of a service which is the  
7 subject of an agreement or a modification of an existing agreement  
8 whether operated by one of the parties to the agreement or an  
9 independent joint entity or joint public agency, (b) expenditures  
10 to pay for repairs to infrastructure damaged by a natural disaster  
11 which is declared a disaster emergency pursuant to the Emergency  
12 Management Act, (c) expenditures to pay for judgments, except  
13 judgments or orders from the Commission of Industrial Relations,  
14 obtained against a school district which require or obligate a  
15 school district to pay such judgment, to the extent such judgment  
16 is not paid by liability insurance coverage of a school district,  
17 (d) expenditures to pay for sums agreed to be paid by a school  
18 district to certificated employees in exchange for a voluntary  
19 termination of employment, or (e) expenditures to pay for  
20 lease-purchase contracts approved on or after July 1, 1997, and  
21 before July 1, 1998, to the extent the lease payments were not  
22 budgeted expenditures for fiscal year 1997-98.

23                   (2) A Class II, III, IV, V, or VI district may exceed its

AM1046  
LB 503  
DSH-04-04

AM1046  
LB 503  
DSH-04-04

1 applicable allowable growth rate by a specific dollar amount if the  
2 district projects an increase in formula students in the district  
3 over the current school year greater than twenty-five students or  
4 greater than those listed in the schedule provided in this  
5 subsection, whichever is less. Districts shall project increases  
6 in formula students on forms prescribed by the department. The  
7 department shall approve, deny, or modify the projected increases.

8	Average daily	Projected increase
9	membership of	of formula students
10	district	by percentage
11	0 - 50	10
12	50.01 - 250	5
13	250.01 - 1,000	3
14	1,000.01 and over	1

15 The department shall compute the district's estimated  
16 allowable budget per pupil using the budgeted general fund  
17 expenditures found on the budget statement for the current school  
18 year divided by the number of formula students in the current  
19 school year and multiplied by the district's applicable allowable  
20 growth rate. The resulting allowable budget per pupil shall be  
21 multiplied by the projected formula students to arrive at the  
22 estimated budget needs for the ensuing year. The department shall  
23 allow the district to increase its general fund budget of  
24 expenditures for the ensuing school year by the amount necessary to  
25 fund the estimated budget needs of the district as computed  
26 pursuant to this subsection. On or before July 1, the department  
27 shall make available to districts which have been allowed

AM1046  
LB 503  
DSH-04-04

AM1046  
LB 503  
DSH-04-04

1 additional growth pursuant to this subsection the necessary  
2 document to recalculate the actual formula students of such  
3 district. Such document shall be filed with the department under  
4 subsection (1) of section 79-1024.

5 (3) A Class II, III, IV, V, or VI district may exceed its  
6 applicable allowable growth rate by a specific dollar amount if  
7 construction, expansion, or alteration of district buildings will  
8 cause an increase in building operation and maintenance costs of at  
9 least five percent. The department shall document the projected  
10 increase in building operation and maintenance costs and may allow  
11 a Class II, III, IV, V, or VI district to exceed the local system's  
12 applicable allowable growth rate by the amount necessary to fund  
13 such increased costs. The department shall compute the actual  
14 increased costs for the school year and shall notify the district  
15 on or before July 1 of the recovery of the additional growth  
16 pursuant to this subsection.

17 (4) A Class II, III, IV, V, or VI district may exceed its  
18 applicable allowable growth rate by a specific dollar amount if the  
19 district demonstrates to the satisfaction of the department that it  
20 will exceed its applicable allowable growth rate as a result of  
21 costs pursuant to the Retirement Incentive Plan authorized in  
22 section 79-855 or the Staff Development Assistance authorized in  
23 section 79-856. The department shall compute the amount by which  
24 the increased cost of such program or programs exceeds the  
25 district's applicable allowable growth rate and shall allow the  
26 district to increase its general fund expenditures by such amount  
27 for that fiscal year.

1                   (5) A Class II, III, IV, or V district may exceed its  
2 applicable allowable growth rate by the specific dollar amount of  
3 incentive payments or base fiscal year incentive payments to be  
4 received in such school fiscal year pursuant to section 79-1011.

5                   (6) For school fiscal year 2005-06, a Class II, III, IV,  
6 V, or VI district may exceed its applicable allowable growth rate  
7 by a specific dollar amount not to exceed seventy-four hundredths  
8 percent of the amount budgeted for employee salaries for such  
9 school fiscal year. For school fiscal year 2006-07, a Class II,  
10 III, IV, V, or VI district may exceed its applicable allowable  
11 growth rate by a specific dollar amount not to exceed fifty-nine  
12 hundredths percent of the amount budgeted for employee salaries for  
13 such school fiscal year."

14                   2. On page 1, line 4, after the fourth comma insert  
15 "79-1028,"; and in line 13 after "calculations" insert "and tax  
16 levy provisions".

17                   3. On page 40, line 2, strike "19" and insert "20".

18                   4. On page 47, line 12, strike "15, 16, and 24" and  
19 insert "16, 17, and 25"; and in line 18 after the third comma  
20 insert "79-1028,".

21                   5. Renumber the remaining sections accordingly.